

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Michael Kubayanda, Chairman;
Ann C. Fisher, Vice Chairman;
Mark Acton;
Ashley E. Poling; and
Robert G. Taub

Removal from the Competitive Product List
Priority Mail International Regional Rate Boxes –
Non-Published Rates and Priority Mail International
Regional Rate Boxes (PMI RRB) Contracts

Docket No. MC2023-45

Competitive Classification Changes Concerning
Global Reseller Expedited Package Contracts

Docket No. MC2023-46

ORDER REMOVING PRIORITY MAIL INTERNATIONAL REGIONAL RATE BOXES –
NON-PUBLISHED RATES AND PRIORITY MAIL INTERNATIONAL REGIONAL RATE
BOXES CONTRACTS FROM THE COMPETITIVE PRODUCT LIST AND APPROVING
COMPETITIVE CLASSIFICATION CHANGES CONCERNING GLOBAL RESELLER
EXPEDITED PACKAGE CONTRACTS

(Issued December 20, 2022)

I. INTRODUCTION

In these consolidated dockets, the Postal Service requests that the Commission remove Priority Mail International Regional Rate Boxes – Non-Published Rates and Priority Mail International Regional Rate Boxes (PMI RRB) Contracts from the Competitive product list, and requests that the Commission change the Competitive classification language concerning Global Reseller Expedited Package Contracts. For

the reasons discussed below, the Commission approves the removal of Priority Mail International Regional Rate Boxes – Non-Published Rates and PMI RRB Contracts from the Competitive product list and approves the Competitive classification changes concerning Global Reseller Expedited Package Contracts. All changes to the Mail Classification Schedule (MCS) appear in the Attachment to this Order and will take effect on January 22, 2023.

II. PROCEDURAL HISTORY

On November 10, 2022, pursuant to 39 U.S.C. § 3642 and 39 C.F.R. § 3040.130 *et seq.*, the Postal Service filed a request to remove Priority Mail International Regional Rate Boxes – Non-Published Rates and PMI RRB Contracts from the Competitive product list.¹ To support this request, the Postal Service filed a copy of the Governors' Decision No. 19-1, an application for nonpublic treatment of the Governors' Decision, a Statement of Supporting Justification in accordance with 39 CFR 3040.132, and proposed changes to the MCS. See Priority Mail International Regional Rate Boxes Request, Attachments A-D.

Also on November 10, 2022, pursuant to 39 C.F.R. § 3040.180 *et seq.*, the Postal Service filed a request for classification changes concerning Global Reseller Expedited Package Contracts.² To support this request, the Postal Service filed a copy of the Governors' Decision No. 19-1, an application for nonpublic treatment of the Governors' Decision, and proposed changes to the MCS. See Competitive Classification Change Request, Attachments 1-3.

¹ Docket No. MC2023-45, Request of the United States Postal Service to Remove Priority Mail International Regional Rate Boxes – Non-Published Rates and Priority Mail International Regional Rate Boxes (PMI RRB) Contracts from the Competitive Product List, November 10, 2022 (Priority Mail International Regional Rate Boxes Request).

² Docket No. MC2023-46, Request of the United States Postal Service for Classification Changes Concerning Global Reseller Expedited Package Contracts and Notice of Filing Materials Under Seal, November 10, 2022 (Competitive Classification Change Request).

On November 14, 2022, the Commission issued an order providing notice of the Postal Service's requests, establishing the instant dockets, appointing a Public Representative, and providing an opportunity for submitting comments.³ Because the instant dockets involve related issues pertaining to product removal, the Commission consolidated them. See Order No. 6328 at 3-4. On December 8, 2022, the Public Representative filed comments.⁴ No other comments were filed.

III. THE REQUESTS

The Postal Service requests to remove MCS subsection 2510.9 Priority Mail International Regional Rate Boxes – Non-Published Rates and MCS subsection 2510.11 PMI RRB Contracts from the Competitive product list, effective January 22, 2023. See Priority Mail International Regional Rate Boxes Request at 1. The Postal Service states that the removal of these MCS subsections conforms with the elimination of Priority Mail Regional Rate Boxes set forth in Governors' Decision No. 22-6, which was included in the Postal Service's Notice of Changes in Rates and Classifications of General Applicability for Competitive Products.⁵ The Postal Service asserts the proposed removal satisfies the criteria appearing in 39 C.F.R. § 3040.132. Priority Mail International Regional Rate Boxes Request at 3. Among other things, the Postal Service states that because no agreements are currently listed as in effect in MCS subsection 2510.9 Priority Mail International Regional Rate Boxes – Non-Published Rates and MCS subsection 2510.11 PMI RRB Contracts, the removal of these subsections from the MCS should not result in the violation of any of the standards

³ Notice and Order Concerning Removal of Priority Mail International Regional Rate Boxes – Non-published Rates and Priority Mail International Regional Rate Boxes Contracts from the Competitive Product List and Competitive Classification Changes Concerning Global Reseller Expedited Package Contracts, November 14, 2022 (Order No. 6328).

⁴ Comments of the Public Representative, December 8, 2022 (PR Comments).

⁵ *Id.* at 1-2 (citing Docket No. CP2023-42, USPS Notice of Changes in Rates and Classifications of General Applicability for Competitive Products, November 10, 2022 (Notice of Changes in Rates and Classifications of General Applicability for Competitive Products)).

appearing in 39 U.S.C. § 3633. *Id.* Attachment C at 2. The Postal Service also states that similar expedited shipping options are widely available from private firms. *Id.* Attachment C at 3. In addition, the Postal Service states that the fact that customers have not availed themselves of these products for some time suggests that market interest in these products is “low to non-existent” and the removal of these products should have no impact on small business concerns. *Id.* Attachment C at 4.

The Postal Service also requests to remove all references to PMI RRB from MCS subsection 2510.7 Global Reseller Expedited Package Contracts, effective January 22, 2023. Competitive Classification Change Request at 1-2. The Postal Service states that the proposed removal conforms with the elimination of Priority Mail Regional Rate Boxes set forth in Governors’ Decision No. 22-6, which was included in the Postal Service’s Notice of Changes in Rates and Classifications of General Applicability for Competitive Products. *Id.* at 1. The Postal Service asserts that the proposed removal will not result in the violation of any of standards appearing in 39 U.S.C. § 3633 and 39 C.F.R. part 3035, because “there are no Global Reseller Expedited [Package] Contracts currently in effect that include prices for Priority Mail International Regional Rate Boxes.” *Id.* at 3. The Postal Service also asserts that the proposed removal will not significantly change the user experience with Global Reseller Expedited Package Contracts and will not significantly impact competitors for the same reason. *Id.* at 3-4. The Postal Service further asserts that the proposed removal will improve the accuracy of the information appearing in MCS subsection 2510.7. *Id.* at 4.

IV. COMMENTS

The Public Representative states that based on his review of the Postal Service’s requests, the proposed changes satisfy the requirements of 39 U.S.C. § 3642, 39 C.F.R. § 3040.130 *et seq.*, and 39 C.F.R. § 3040.180 *et seq.*, including compliance with 39 U.S.C. § 3633. PR Comments at 9.

With regard to the Postal Service's request to remove MCS subsection 2510.9 Priority Mail International Regional Rate Boxes – Non-Published Rates and MCS subsection 2510.11 PMI RRB Contracts from the Competitive product list, the Public Representative states that the Postal Service provided the required content in its request in accordance with 39 C.F.R. § 3040.131. *Id.* at 5. Furthermore, he states that the Postal Service's supporting justification meets the requirements of 39 C.F.R. § 3040.132. *Id.* at 5-6. He finds that the Postal Service's justification for removing these products in order to conform with its plan to eliminate Priority Mail Regional Rate Boxes appears to be reasonable. *Id.* at 6-7. Based on his review, there do not appear to be any agreements currently in effect under MCS subsections 2510.9 and 2510.11. *Id.* at 7. Therefore, he finds the Postal Service's assertions reasonable that market interest in these products appears to be low to non-existent, removing these products should have little to no impact on small business concerns, and removal should not result in any violation of 39 U.S.C. §§ 3633 or 3642. *Id.* For the same reason, he finds no basis to conclude that the removal of these products is a pretext for an abuse of market power.⁶

With regard to the Postal Service's request to change Competitive classification and remove all references to PMI RRB from MCS subsection 2510.7 Global Reseller Expedited Package Contracts, the Public Representative states that the Postal Service provided the required content in its request in accordance with 39 C.F.R. § 3040.180. *Id.* at 8. Furthermore, he finds that the Postal Service's justification for removing all references to PMI RRB from Global Reseller Expedited Package Contracts to conform with its plan to eliminate Priority Mail Regional Rate Boxes appears to be reasonable. *Id.* at 9. Based on his review, there do not appear to be any agreements currently in effect under the MCS subsection 2510.7 that include prices for Priority Mail International Regional Rate Boxes. *Id.* Therefore, he finds the Postal Service's assertions reasonable that the classification changes are unlikely to impact either users of the

⁶ *Id.* (citing *United States Postal Serv. v. Postal Regul. Comm'n*, 886 F.3d 1261, 1269 (D.C. Cir. 2018)).

product or competitors, nor should they result in any violations of 39 U.S.C. § 3633 or any other regulations concerning Competitive product rates. *Id.*

V. COMMISSION ANALYSIS

Although these consolidated dockets involve related issues, the Priority Mail International Regional Rate Boxes Request and the Competitive Classification Change Request are subject to different legal standards, as discussed further below. As a result, the Commission evaluates them separately.

A. Removal of Priority Mail International Regional Rate Boxes – Non-Published Rates and PMI RRB Contracts from the Competitive Product List

The Commission evaluates a request to remove a product from the Competitive product list under 39 U.S.C. § 3642 and 39 C.F.R. § 3040.130 *et seq.* Section 3642 provides, among other things, that the Postal Service may change the list of Competitive products under section 3631 by removing products from the list. 39 U.S.C. § 3642(a). Section 3642(b) states that all determinations by the Commission shall be made in accordance with criteria such as whether a product is covered by the postal monopoly and with due regard to the following additional considerations: “the availability and nature of enterprises in the private sector engaged in the delivery of the product involved; . . . the views of those who use the product involved on the appropriateness of the proposed action; and . . . the likely impact of the proposed action on small business concerns” 39 U.S.C. § 3642(b)(3). The Commission’s rules also require certain information to be provided in support of the request. See 39 C.F.R. § 3040.132. Further, the Commission also evaluates requests to remove a product from the MCS by

examining whether the request is a pretext for an abuse of market power and understanding the rationale for the discontinuation.⁷

1. Whether Priority Mail International Regional Rate Boxes – Non-Published Rates and PMI RRB Contracts Are Covered by the Postal Monopoly

Market Dominant products covered by the postal monopoly may not be transferred from the Market Dominant product list. See 39 U.S.C. § 3642(b)(2). Because Priority Mail International Regional Rate Boxes – Non-Published Rates and PMI RRB Contracts are located on the Competitive product list,⁸ this prohibition has no bearing on the Priority Mail International Regional Rate Boxes Request. In addition, the Postal Service states that “PMI RRB is intended primarily for merchandise, and any letters contained in such items would be covered by one or more exceptions or suspensions to the Private Express Statute” Priority Mail International Regional Rate Boxes Request, Attachment C at 3.

2. The Availability and Nature of Private Sector Enterprises Delivering Priority-Mail-International-Regional-Rate-Boxes-Equivalent Products

In ruling on the request, the Commission is required to give due regard to the availability and nature of enterprises in the private sector engaged in the delivery of services similar to Priority Mail International Regional Rate Boxes – Non-Published Rates and PMI RRB Contracts. See 39 U.S.C. § 3642(b)(3)(A). According to the Postal Service, “[e]xpedited shipping, similar to PMI RRB, is widely available from well-

⁷ See Docket No. MC2015-8, Order Approving Removal of Return Receipt for Merchandise Service from Mail Classification Schedule, January 16, 2020, at 3, 5 (Order No. 5408). See also Docket No. MC2020-126, Order Approving Removal of Customized Postage from Mail Classification Schedule, June 16, 2020, at 5 (Order No. 5550).

⁸ Postal Regulatory Commission, Mail Classification Schedule, posted October 3, 2022 (with revisions through October 31, 2022), § 2510.9, § 2510.11, available at <http://www.prc.gov/mail-classificationschedule>.

known and successful private firms at both published and contract prices.” Priority Mail International Regional Rate Boxes Request, Attachment C at 3. The Public Representative does not raise any issues with the Postal Service’s statement. Based on the foregoing, and having reviewed the materials filed in these dockets, the Commission finds that various private sector enterprises are available and offer products comparable to Priority Mail International Regional Rate Boxes – Non-Published Rates and PMI RRB Contracts.

3. The Views of Customers Using Priority Mail International Regional Rate Boxes – Non-Published Rates and PMI RRB Contracts

In ruling on the request, the Commission is required to give due regard to the views of those who use Priority Mail International Regional Rate Boxes – Non-Published Rates and PMI RRB Contracts on the appropriateness of the request. See 39 U.S.C. § 3642(b)(3)(B). The Postal Service states that while it has no specific views from customers about the removal of these products, “Postal Service Sales personnel have not received interest in the product for some time, and the fact that customers are not availing themselves of this option suggests that market interest among customers is low to non-existent.” Priority Mail International Regional Rate Boxes Request, Attachment C at 3-4.

The Public Representative finds this assertion to be reasonable given the fact that there are no agreements currently in effect under the relevant MCS sections. PR Comments at 7.

Based on review of the materials that the Postal Service filed in these dockets and the Public Representative’s comments, the Commission finds that the Postal Service adequately accounted for the lack of views of customers using Priority Mail International Regional Rate Boxes – Non-Published Rates and PMI RRB Contracts given the low to non-existent market interest in these products, and that this lack of views does not call into question the appropriateness of removing these products from the Competitive product list.

4. Likely Impact on Small Business Concerns

In ruling on the Request, the Commission is required to give due regard to “the likely impact of the proposed action on small business concerns.” 39 U.S.C.

§ 3642(b)(3)(C). The Postal Service states that there will be no impact on small business concerns, because “[n]o Priority Mail International Regional Rate Boxes – Non-Published Rates contracts were ever filed with the Commission,” and no PMI RRB Contracts “have been signed since 2017[] and none have been in effect since November 2018.” Priority Mail International Regional Rate Boxes Request, Attachment C at 4.

The Public Representative finds this assertion to be reasonable given the fact that there are no agreements currently in effect under the relevant MCS sections. PR Comments at 7.

Based on review of the materials that the Postal Service filed in these dockets and the Public Representative’s comments, the Commission finds that removing Priority Mail International Regional Rate Boxes – Non-Published Rates and PMI RRB Contracts from the Competitive product list will have little to no impact on small business concerns.

5. Information Required by 39 C.F.R. § 3040.132

The Postal Service must provide a justification supporting the Priority Mail International Regional Rate Boxes Request. 39 C.F.R. § 3040.132. The rules specify that this justification must do the following:

- (a) Explain the reason for initiating the docket and explain why the change is not inconsistent with the applicable requirements of this part and any applicable Commission directives and orders;
- (b) Explain why, as to market dominant products, the change is not inconsistent with the policies and the applicable criteria of chapter 36 of title 39 of the United States Code;

- (c) Explain why, as to competitive products, the addition, deletion, or transfer will not result in the violation of any of the standards of 39 U.S.C. 3633;
- (d) Verify that the change does not classify as competitive a product over which the Postal Service exercises sufficient market power that it can, without risk of losing a significant level of business to other firms offering similar products:
 - (1) Set the price of such product substantially above costs;
 - (2) Raise prices significantly;
 - (3) Decrease quality; or
 - (4) Decrease output.
- (e) Explain whether or not each product that is the subject of the request is covered by the postal monopoly as reserved to the Postal Service under 18 U.S.C. 1696 subject to the exceptions set forth in 39 U.S.C. 601;
- (f) Provide a description of the availability and nature of enterprises in the private sector engaged in the delivery of the product;
- (g) Provide any information available on the views of those who use the product on the appropriateness of the proposed modification;
- (h) Provide a description of the likely impact of the proposed modification on small business concerns; and
- (i) Include such information and data, and such statements of reasons and bases, as are necessary and appropriate to fully inform the Commission of the nature, scope, significance, and impact of the proposed modification.

39 C.F.R. § 3040.132.

The Postal Service included the supporting justification as Attachment C to its request. See Priority Mail International Regional Rate Boxes Request, Attachment C. The Postal Service observes that 39 C.F.R. § 3040.132(b) is not applicable because the request pertains to change to the Competitive product list. *Id.* Attachment C at 1. With regard to 39 C.F.R. § 3040.132(c), the Postal Service states that because no agreements are currently listed as in effect under the MCS sections for these two products, the removal of these products should not result in the subsidization of

Competitive products by Market Dominant products, each Competitive product covering less than its attributable costs, or all Competitive products collectively covering less than an appropriate share of the institutional costs, in accordance with 39 U.S.C. § 3633(a).

Id. Attachment C at 2. With regard to 39 C.F.R. § 3040.132(d), the Postal Service states this is inapplicable as products are being removed from the MCS and there is no danger of improperly classifying Market Dominant products as Competitive products.

Id. Attachment C at 2-3. Finally, requirements under 39 C.F.R. § 3040.132(e), (f), (g), and (h) have been discussed above. The Postal Service did not include any additional information or data in support of its request pursuant to 39 C.F.R. § 3040.132(i). *Id.* Attachment C at 4.

The Public Representative finds the Postal Service's assertion reasonable that removing the products at issue should not result in any violation of 39 U.S.C. § 3633. PR Comments at 7.

Based on review of the materials that the Postal Service filed in these dockets and the Public Representative's comments, the Commission finds that the Postal Service has provided adequate supporting justification required by 39 C.F.R. § 3040.132 and demonstrated that its request is in compliance with the standards appearing in 39 U.S.C. § 3633 and 39 C.F.R. § 3040.132.

6. Whether the Removal Is a Pretext for Abuse of Market Power and the Rationale for the Removal

The Commission also evaluates requests to remove a product from the MCS by examining whether the request is a pretext for an abuse of market power and understanding the rationale for the removal. See Order No. 5408 at 3, 5; Order No. 5550 at 5. According to the Postal Service, the rationale for the removal of Priority Mail International Regional Rate Boxes – Non-Published Rates and PMI RRB Contracts from the Competitive product list is to conform with the proposed elimination of Priority Mail Regional Rate Boxes in Docket No. CP2023-42. Priority Mail International Regional Rate Boxes Request at 1. The Public Representative finds this rationale to be

reasonable. PR Comments at 6-7. Because there are no agreements currently in effect for these products, the Public Representative believes that there is no basis for concluding that removal of these products is a pretext for an abuse of market power.⁹ Based on review of the materials that the Postal Service filed in these dockets and the Public Representative's comments, the Commission finds that the rationale for the removal is reasonable and the removal is not a pretext for the abuse of market power.

7. Conclusion Regarding Removal of Priority Mail International Regional Rate Boxes – Non-Published Rates and PMI RRB Contracts from the Competitive Product List

Having considered the Priority Mail International Regional Rate Boxes Request, the PR Comments, and the other applicable materials filed in these consolidated dockets (including non-public materials), the Commission finds that the Priority Mail International Regional Rate Boxes Request satisfies the requirements of 39 U.S.C. § 3642 and the Commission's other requirements for requests to modify the Competitive product lists. The Commission therefore approves the Priority Mail International Regional Rate Boxes Request.

B. Competitive Classification Changes to Global Reseller Expedited Package Contracts

The Postal Service is required to provide supporting justification for the proposed material changes to product descriptions in the MCS. 39 C.F.R. § 3040.180(b)(2). In its supporting justification, the Postal Service is required to include a description of, and rationale for, the proposed changes to the product description. 39 C.F.R.

⁹ *Id.* at 7 (citing *United States Postal Serv. v. Postal Regul. Comm'n*, 886 F.3d 1261, 1269 (D.C. Cir. 2018)) ("If the Postal Service had . . . proposed a product list change that would have materially harmed mailers or small businesses by, for example, abusing the Postal Service's market power through camouflaging a monopolistic rate increase as a product addition or deletion, the Commission would have been fully empowered—indeed, would have been required—under Section 3642 to reject that proposal.")).

§ 3040.181(a). Proposed changes to Competitive product descriptions are reviewed to: (1) ensure ongoing compliance with 39 U.S.C. § 3633; and (2) consider the impact of the changes on users of the product as well as competitors.¹⁰ In pertinent part, 39 U.S.C. § 3633, as implemented by the Commission's rules: prohibits the subsidization of Competitive products by Market Dominant products; requires that each Competitive product cover its attributable costs; and requires that Competitive products collectively cover what the Commission determines to be an appropriate share of the Postal Service's institutional costs. See 39 U.S.C. § 3633(a); 39 C.F.R. § 3035.107.

1. Description of, and Rationale for, the Proposed Changes to the Product Description

The Postal Service states that the proposed changes would remove all references to PMI RRB from MCS subsection 2510.7 Global Reseller Expedited Package Contracts. Competitive Classification Change Request at 2. The Postal Service also states that the proposed removal conforms with the proposed elimination of Priority Mail Regional Rate Boxes in Docket No. CP2023-42. *Id.* The Postal Service further states that the proposed removal will improve the accuracy of the information appearing in MCS subsection 2510.7. *Id.* at 4.

The Public Representative finds the Postal Service's rationale for changing the description of Global Reseller Expedited Package Contracts to conform with its plan to discontinue Priority Mail Regional Rate Boxes to be reasonable. PR Comments at 9.

Based on review of the materials that the Postal Service filed in these dockets and the Public Representative's comments, the Commission finds that the Postal Service's description of the proposed changes to Global Reseller Expedited Package Contracts is adequate and its rationale for the proposed changes is reasonable.

¹⁰ See 39 C.F.R. § 3040.181(b), (c); Docket No. MC2021-91, Order Approving Classification Changes to Outbound Single-Piece First-Class Package International Service, June 10, 2021, at 4 (Order No. 5912).

2. Ongoing Compliance with 39 U.S.C. § 3633

The Postal Service asserts that the proposed removal will not result in the violation of any of standards appearing in 39 U.S.C. § 3633 and 39 C.F.R. part 3035, because “there are no Global Reseller Expedited [Package] Contracts currently in effect that include prices for Priority Mail International Regional Rate Boxes.” Competitive Classification Change Request at 3. As such, the proposed changes should not result in the subsidization of Competitive products by Market Dominant products, should not affect the extent to which Global Reseller Expedited Package Contracts covers its attributable costs, and should not affect the ability of all Competitive products to collectively cover an appropriate share of the institutional costs. *Id.*

The Public Representative finds that there do not appear to be any agreements currently in effect under MCS subsection 2510.7 that include prices for Priority Mail International Regional Rate Boxes. PR Comments at 9. As such, he finds the Postal Service’s assertions regarding compliance with 39 U.S.C. § 3633 to be reasonable. *Id.*

Based on review of the materials that the Postal Service filed in these dockets and the Public Representative’s comments, the Commission finds that the proposed removal of all references to PMI RRB from MCS subsection 2510.7 Global Reseller Expedited Package Contracts should not result in any violations of 39 U.S.C. § 3633 and 39 C.F.R. part 3035.

3. Impact of the Changes on Users of the Product and Competitors

The Postal Service asserts that the proposed removal will not significantly change the user experience with Global Reseller Expedited Package Contracts and will not significantly impact competitors, because “[c]urrently, there are no Global Reseller Expedited Package Contracts in effect that include prices for Priority Mail International Regional Rate Box.” Competitive Classification Change Request at 3-4.

Similarly, the Public Representative finds that there do not appear to be any agreements currently in effect under MCS subsection 2510.7 that include prices for

Priority Mail International Regional Rate Boxes. PR Comments at 9. As such, he finds the Postal Service's assertions regarding the impact of the proposed changes on users and competitors to be reasonable. *Id.*

Based on review of the materials that the Postal Service filed in these dockets and the Public Representative's comments, the Commission finds that the proposed removal of all references to PMI RRB from MCS subsection 2510.7 Global Reseller Expedited Package Contracts should not have significant impact on users of the product or competitors.

4. Conclusion Regarding the Competitive Classification Change Request

Having considered the Competitive Classification Change Request, the PR Comments, and the other applicable materials filed in these consolidated dockets (including non-public materials), the Commission finds that the Competitive Classification Change Request satisfies the requirements of 39 U.S.C. § 3633 and 39 C.F.R. § 3040.180 *et seq.* The Commission, therefore, approves the Competitive Classification Change Request.

VI. CONCLUSION

For the reasons discussed above, the Commission finds that the Priority Mail International Regional Rate Boxes Request and the Competitive Classification Change Request comply with all applicable statutory and regulatory requirements. Therefore, the Commission approves both requests.

VII. ORDERING PARAGRAPHS

It is ordered:

1. The Request of the United States Postal Service to Remove Priority Mail International Regional Rate Boxes – Non-Published Rates and Priority Mail International Regional Rate Boxes (PMI RRB) Contracts from the Competitive Product List, filed November 10, 2022, is approved.
2. The Request of the United States Postal Service for Classification Changes Concerning Global Reseller Expedited Package Contracts and Notice of Filing Materials Under Seal, filed November 10, 2022, is approved.
3. Revisions to the Mail Classification Schedule appear in the Attachment to this Order and shall take effect on January 22, 2023.

By the Commission.

Erica A. Barker
Secretary

CHANGE IN PRODUCT LIST

The following material represents changes to the product list codified in Appendix B to 39 C.F.R. part 3040, subpart A—Competitive Product List. These changes reflect the Commission's order in Docket Nos. MC2023-45 and MC2023-46. The Commission uses two main conventions when making changes to the product list. New text is underlined. Deleted text is struck through.

Appendix B to Subpart A of Part 3040—Competitive Product List

NEGOTIATED SERVICE AGREEMENTS*

Outbound International*

~~Priority Mail International Regional Rate Boxes—Non-Published Rates~~

~~Priority Mail International Regional Rate Boxes Contracts~~

~~Priority Mail International Regional Rate Boxes Contracts 1~~

CHANGES TO THE MAIL CLASSIFICATION SCHEDULE

The following material represents a change to the Mail Classification Schedule. The Commission uses two main conventions when making changes to the Mail Classification Schedule. New text is underlined. Deleted text is struck through.

Part B—Competitive Products **2000 Competitive Product List**

2510 Outbound International

2510.2 Negotiated Service Agreement Groups

- ~~Priority Mail International Regional Rate Boxes—Non-Published Rates (2510.9)~~

- ~~Priority Mail International Regional Rate Boxes (PMI RRB) Contracts (2510.11)~~

2510.7 Global Reseller Expedited Package Contracts

2510.7.1 Description

- a. Global Reseller Expedited Package Contracts provide discounted prices to a reseller for Global Express Guaranteed (GXG), Priority Mail Express International (PMEI), Priority Mail International (PMI), and Outbound Single-Piece First-Class Package International Service (FCPIS), ~~and Priority Mail International Regional Rate Boxes (PMI RRB)~~ for destinations serviced by GXG, PMEI, PMI, and FCPIS. The reseller offers prices based on its contract to its customer (reseller's customers).
- b. Preparation requirements are the same as for all GXG, PMEI, PMI, and FCPIS shipments with the following exceptions:

- ~~Mail preparation requirements for PMI RRB are similar to those required for a PMI Medium Flat Rate Box shipment, except that the mailer must use a Priority Mail Regional Rate Box A, B, or C with the specified~~

~~markings, subject to size and weight limitations specific to PMI RRB that are set forth in the applicable Global Reseller Expedited Package Contract.~~

2510.7.2 Size and Weight Limitations

Priority Mail International Regional Rate Box¹

	Length	Height	Thickness	Weight
Regional Rate Box A ¹	Outside dimensions: Top Loaded: 10.125 x 7.125 x 5.0 inches Side Loaded: 13.0625 x 11.0625 x 2.5 inches			10 pounds
Regional Rate Box B ¹	Outside dimensions: Top Loaded: 12.25 x 10.5 x 5.5 inches Side Loaded: 16.25 x 14.5 x 3 inches			20 pounds
Regional Rate Box C ¹	Outside dimensions: Top Loaded: 15 x 12 x 12 inches:			20 pounds

Notes

- ~~1. Notwithstanding any marking on the package for domestic service, size, and weight limitations.~~

2510.7.3 Minimum Volume or Revenue Requirements

The reseller must commit to varying minimum volumes or postage of GXG, PMEI, PMI, and/or FCPIS, ~~and/or PMI RRB~~ on a quarterly or annualized basis.

2510.7.4 Price Categories

The following price categories are available for the product specified in this section:

- ~~Global Reseller Expedited Package Contract — Priority Mail International Regional Rate Box~~

~~2510.9 — Priority Mail International Regional Rate Boxes — Non-Published Rates~~

~~2510.9.1 — Description~~

- ~~a. Priority Mail International Regional Rate Boxes — Non-Published Rates (PMI RRB — NPR) service is available through customized negotiated service agreements. Prices under a PMI RRB — NPR agreement depends upon a mailer's revenue commitment.~~
- ~~b. PMI RRB — NPR negotiated service agreements provide tiered incentives for all destinations served by Priority Mail International Regional Rates Boxes.~~
- ~~c. To qualify for a PMI RRB — NPR agreement, a mailer must be capable, on an annualized basis, of paying at least \$200,000.00 for Priority Mail International Regional Rates Boxes to the Postal Service under a PMI RRB — NPR agreement.~~
- ~~d. A mailer must commit to tender varying minimum postage of Priority Mail International Regional Rates Boxes on an annualized basis under a PMI RRB — NPR agreement.~~
- ~~e. Mail preparation requirements are similar to those required for a PMI Medium Flat Rate Box shipment, except that the mailer must use a Priority Mail Regional Rate Box A or B with the specified markings, subject to size and weight limitations specific to PMI RRB — NPR.~~
- ~~f. Individual negotiated agreements must comply with the requirements specified in 39 U.S.C. § 3633.~~
- ~~g. Individual negotiated agreements must be on file with the Commission within 10 days of their effective date.~~

~~2510.9.2 Size and Weight Limitations Requirements~~

	Length	Height	Thickness	Weight
Regional Rate Box A1	Outside Dimensions: Top Loaded: 10.125 x 7.125 x 5.0 inches Side Loaded: 13.0625 x 11.0625 x 2.5 inches			10 pounds
Regional Rate Box B1	Outside Dimensions: Top Loaded: 12.25 x 10.5 x 5.5 inches Side Loaded: 16.25 x 14.5 x 3 inches			20 pounds

Notes

- ~~1. Notwithstanding any markings on the package for domestic service, size, and weight limitations.~~

~~2510.9.3 Minimum Volume Requirements~~

~~A PMI RRB—NPR customer who selects postage payment through a permit imprint using Postal Service-provided Global Shipping Software (GSS) is required to meet minimum volume or weight requirements established for presentation of a manifest mailing.~~

~~2510.9.4 Price Categories~~

~~The incentives are based on the customer's revenue commitment. Prices are subject to the terms and conditions of individual negotiated agreements. The non-published range of prices that may be offered to mailers are pre-approved and subject to regulatory review.~~

~~The following price categories are available for the product specified in this section:~~

- ~~• PMI RRB—NPR~~

~~2510.9.5 Optional Features~~

~~Optional features are separately charged according to the published prices for each service at the time of mailing. The following additional postal services may be available in conjunction with the product specified in this section:~~

- ~~• Pickup On Demand Service~~
- ~~• International Ancillary Services (2615)~~
 - ~~○ None~~

~~2510.9.6 Prices~~

~~*PMI RRB NPR*~~

~~Prices are subject to the terms and conditions of individual negotiated agreements.~~

~~*Pickup On Demand Service*~~

~~Add \$22.00 for each Pickup On Demand stop~~

~~2510.9.7 Products Included in Group (Agreements)~~

~~Each product is followed by a list of agreements included within that product.~~

- ~~• Priority Mail International Regional Rate Boxes—Non-Published Rates~~
~~*Baseline Reference*~~
~~Docket Nos. MC2013-53 and CP2013-69~~
~~PRC Order No. 1783, July 19, 2013~~

~~2510.11 — Priority Mail International Regional Rate Boxes (PMI RRB) Contracts~~

~~2510.11.1 — Description~~

- ~~a. Priority Mail International Regional Rate Boxes (PMI RRB) Contracts provide prices to a mailer for PMI RRB to certain destinations~~
- ~~b. Preparation requirements are the same as for all PMI shipments with the following exceptions:~~
 - ~~• The mailer is required to use PC Postage from an authorized PC Postage vendor, or any other method authorized by the Postal Service under the mailer's PMI RRB contract, for payment of postage.~~
 - ~~• The mailer may be required to prepare specific shipments according to country specific requirements.~~
 - ~~• The mailer may be required to tender shipments through limited acceptance channels.~~
 - ~~• Mail preparation requirements for PMI RRB are similar to those required for a PMI Medium Flat Rate Box shipment, except that the mailer must use a Priority Mail Regional Rate Box A or B with the specified markings, subject to size and weight limitations specific to PMI RRB that are set forth in the applicable PMI RRB Contract.~~
- ~~c. The mailer must be capable of either tendering at least 5,000 pieces of international mail to the Postal Service, or paying at least \$100,000.00 in international postage to the Postal Service~~
- ~~d. For a mailer to qualify, the contract must cover its attributable costs.~~

~~2510.11.2 — Size and Weight Limitations~~

~~*Priority Mail International Regional Rate Box¹*~~

	Length	Height	Thickness	Weight
Regional Rate Box A ¹	Outside dimensions: Top Loaded: 10.125 x 7.125 x 5.0 inches Side Loaded: 13.0625 x 11.0625 x 2.5 inches			10 pounds
Regional Rate Box B ¹	Outside dimensions: Top Loaded: 12.25 x 10.5 x 5.5 inches Side Loaded: 16.25 x 14.5 x 3 inches			20 pounds

Notes

- ~~1. Notwithstanding any marking on the package for domestic service, size, and weight limitations.~~

~~2510.11.3 — Minimum Volume or Revenue Requirements~~

~~The mailer must commit to varying minimum volumes or postage of PMI RRB on a quarterly or annualized basis.~~

~~2510.11.4 — Price Categories~~

~~The incentives are based on the volume or revenue commitment above a specified cost floor.~~

~~The following price categories are available for the product specified in this section:~~

- ~~• PMI RRB~~

~~2510.11.5 — Optional Features~~

~~Optional features are separately charged according to the published prices for each service at the time of mailing. The following additional postal services may be available in conjunction with the product specified in this section:~~

- ~~• Pickup On Demand Service~~
- ~~• International Ancillary Services (2615)~~
~~None~~

~~2510.11.6 — Prices~~

~~— PMI RRB~~

~~Prices are subject to the terms and conditions of individual negotiated service agreements.~~

~~Pickup On Demand Service~~

~~See 2315.7~~

~~2510.11.7 — Products Included in Group (Agreements)~~

~~Each product is followed by a list of agreements included within that product.~~

- ~~• Priority Mail International Regional Rate Boxes Contracts 1~~

~~Baseline Reference~~

~~Docket Nos. MC2015-31 and CP2015-40~~

~~PRC Order No. 2364, February 24, 2015~~

~~Included Agreements~~
